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Statement submitted by Fairtrade Labelling Organizations International, a non-governmental organization in consultative status with the Economic and Social Council*

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31.

* The present statement is being issued without formal editing.

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Statement

Fairtrade is a global movement for change working directly with businesses, producers, consumers and campaigners to make trade fair for farmers and workers. Fairtrade changes the way trade works through better prices, decent working conditions and a fairer deal for farmers and workers in developing countries. We represent 1.5 million Fairtrade farmers and workers. Over €5.5 billion per year is spent through Fairtrade, supporting sustainable livelihoods, human rights and environmental stewardship.

The draft sustainable development goals address vital areas where farmers and workers in international supply chains need action. But to deliver for the poorest, the framework must address these issues:

1. Inclusive trade which benefits the poor, not trade for its own sake (goal 17.14). Trade liberalisation does not guarantee poverty reduction — and can undermine it. This is especially so when rich countries demand access to least developed countries' markets while restricting access to their own. Indeed, some Fairtrade farmers have seen liberalisation in the banana and sugar industries lead to widespread loss of jobs, with poor adjustment support for those least able to cope. The sustainable development goals indicators must assess trade deals not by the gross domestic product forecasts alone, but by the medium to long-term impact on livelihoods for the poorest. Delivering the sustainable development goal commitment to trade policy coherence demands widespread institutional reform and accountability to ensure that trade agreements — bilateral, regional and multilateral — are fully aligned with poverty and sustainability goals.

2. Sustainability in supply chains must be paid for (goal 8). If we are to achieve poverty reduction and environmental sustainability through trade, then fair prices must be paid. Governments are willing to regulate markets in the short term interests of the consumer, but they fail to address global market dominance, despite the impact on sustainability and poverty reduction. We need a global commitment from traders and retailers to pay living wages and meet the cost of sustainable production.

3. Market share of certified socially, economically and environmentally sustainable goods as an indicator (Goal 12.6). Under Goal 12.6, the United Nations Environment Programme has recommended the percentage market share of certified sustainable goods as an indicator. While supporting this, "certified sustainable" must mean more than environmentally sustainable. Certification in sustainability must consider poverty, environment and economic benchmarks and it must be independent and transparent.

Finally, we must listen to smallholder farmers and workers. Delivering the sustainable development goals require the voices of smallholder farmers and workers to be heard at the highest levels of government and commerce.